

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

INVESTMENT COMMITTEE

November 17, 2008

9:00 a.m.

**or Upon Adjournment or Recess of the Benefits and Program
Administration Committee Meeting, Whichever is Later**

Robert F. Carlson Auditorium
Lincoln Plaza North
400 Q Street
Sacramento, CA

COMMITTEE MEMBERS

George Diehr, Chair
Priya Mathur, Vice Chair
Marjorie Berte
John Chiang
Rob Feckner
David Gilb
Henry Jones
Bill Lockyer
Louis F. Moret
Tony Oliveira
Anne Sheehan
Kurato Shimada
Charles Valdes

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| CLOSED SESSION | 9:00 a.m.
Interim Chief Investment Officer's Briefing on Market and Personnel
Issues (Government Code sections 11126(a)(1) and 11126(c)(16)) |
| OPEN SESSION | 9:30 a.m. or Upon Adjournment or Recess of the Closed Session,
Whichever is Later |
| CLOSED SESSION | Upon Adjournment or Recess of Open Session
(Government Code sections 11126(c)(16), 11126(e), and 11126(g)(1)) |

AGENDA

OPEN SESSION

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| | 1. Call to Order and Roll Call |
| Action | 2. Approval of the October 20, 2008 Open Session Minutes |
| Action / Policy Subcommittee
Chair Jones | 3. October 2008 Policy Subcommittee Report and Ratification of Revisions to Policies Relevant to the Synthetic Enhanced Equity Strategy Portfolio <ul style="list-style-type: none">a. Revision of Policies on Low Duration Fixed Income Program, Internally Managed Global Enhanced Equity Strategies, and Development of Derivatives Strategies |
| Information / Farouki Majeed
Information / Anne Stausboll
Information / Matt Flynn
Action / Anne Stausboll | 4. Total Fund <ul style="list-style-type: none">a. Asset Allocation Updateb. Environmental Programs Updatec. Investment Office Technology Updated. Board's Independent Investment Consultant Contracts<ul style="list-style-type: none">1) Real Estate2) General |
| Information / Ted Eliopoulos | 5. Real Estate <ul style="list-style-type: none">a. Housing Program Update |
| Information | 6. Alternative Investments Management (AIM) |
| Information / Farouki Majeed | 7. Inflation-Linked Asset Class (ILAC) <ul style="list-style-type: none">a. Implementation Update |
| Action / Curtis Ishii | 8. Global Fixed Income <ul style="list-style-type: none">a. Selection of High Yield Fixed Income Manager |
| Information | 9. Global Equity |
| Information / Eric Baggesen | 10. Global Equity – Corporate Governance <ul style="list-style-type: none">a. Institutional Investor Response to Market Conditions |
| Information | 11. Supplemental Income Plans (SIP) |

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| Information / Anne Stausboll | 12. Chief Investment Officer's/Chief Operating Investment Officer's Report <ul style="list-style-type: none"> a. Consolidated Investment Activity Report b. Chief Operating Investment Officer's Status Report c. 2008 Annual Agenda Item Calendar |
| Information | 13. Draft Agenda for December 15, 2008 |
| | 14. Public Comment |

Note: Items designated for information are appropriate for Board/Committee action if the Board/Committee wishes to take action. Any agenda item from a properly noticed Subcommittee meeting held immediately prior to this meeting may be reported on or presented to the Investment Committee for its consideration.

AGENDA

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| CLOSED SESSION | Upon Adjournment or Recess of Open Session
(Government Code section 11126(c)(16); Government Code section 11126(e) [Item 4a only]; and Government Code section 11126(g)(1) [Item 12 only]) |
| | 1. Call to Order and Roll Call |
| Action | 2. Approval of the October 20, 2008 Closed Session Minutes |
| Information / Farouki Majeed
Information / Leon Shahinian
and Curtis Ishii | 3. Total Fund <ul style="list-style-type: none"> a. Asset Allocation and Liquidity Update b. Municipal Monoline Insurer |
| Information / Ted Eliopoulos
Information / Ted Eliopoulos | 4. Real Estate <ul style="list-style-type: none"> a. Portfolio Sector and Partnership Update b. Strategic Plan Implementation Update |
| Information | 5. Alternative Investments Management (AIM) |
| Information | 6. Inflation-Linked Asset Class (ILAC) |
| Information / Curtis Ishii
Information / Curtis Ishii | 7. Global Fixed Income <ul style="list-style-type: none"> a. Low Duration Fixed Income Portfolio Update b. External Manager Update |
| Information / Eric Baggesen | 8. Global Equity <ul style="list-style-type: none"> a. External Manager Update |

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| Information | 9. Supplemental Income Plans (SIP)
a. External Manager Update |
| Information / Anne Stausboll | 10. Chief Investment Officer's/Chief Operating Investment Officer's Report
a. Status of Action Items Not Yet Reported |
| Information / Anne Stausboll | 11. Activity Reports
a. Alternative Investments Management
b. Real Estate
c. Risk Managed Absolute Return Strategies
d. Corporate Governance
e. Inflation-Linked Assets |
| Information / Anne Stausboll
and Chris O'Brien | 12. Chief Investment Officer Recruitment |